

CHAPTER NO. 742

HOUSE BILL NO. 2941

By Representatives Briley, McDaniel

Substituted for: Senate Bill No. 2927

By Senator Trail

AN ACT to amend Tennessee Code Annotated, Title 48, Chapter 101, Part 6 and Title 48, Chapter 248, relative to professional corporations and professional limited liability companies formed by health care providers licensed under Title 63.

WHEREAS, health care providers from different professions are increasingly joining together to provide services to their patients in a more efficient and effective manner; and

WHEREAS, health care providers desire to form appropriate legal entities to allow them to provide services in this manner; and

WHEREAS, the current statutes governing professional corporations and professional limited liability companies do not expressly allow health care providers from more than one (1) profession to form such legal entities; and

WHEREAS, a change in these statutes would allow ophthalmologists and optometrists, orthopedists and podiatrists, physicians and physician assistants, and other health care providers to be co-investors in a professional corporation or professional limited liability company; now, therefore,

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 48-101-610, is amended by adding the following language as a new subsection (d):

(d) Notwithstanding any other provision of this chapter, the following health care professionals shall have a right to form and own shares in the same professional corporation formed pursuant to this chapter:

(1) Optometrists licensed under Title 63, Chapter 8, and ophthalmologists licensed under Title 63, Chapter 6 or 9; and

(2) Podiatrists licensed under Title 63, Chapter 3, and physicians licensed under Title 63, Chapter 6 or 9 (except radiologists, pathologists, or anesthesiologists).

The services rendered by these health care professionals are considered related and complementary to one another; provided, nothing in this chapter shall be construed to alter the lawful scope of practice of a professional forming a professional corporation pursuant to this subsection; and further provided that nothing in this chapter shall be construed to allow any professional forming a professional corporation pursuant to this subsection to conduct the professional's practice in a manner contrary to the standards of ethics applicable to the profession. Such professional shall accurately state his or her professional credentials on any advertisement to the public.

SECTION 2. Tennessee Code Annotated, Section 48-248-401, is amended by adding the following language as a new subsection (d):

(d) Notwithstanding any other provision of this chapter, the following health care professionals shall have a right to form and become members of the same professional limited liability company formed pursuant to this chapter:

(1) Optometrists licensed under Title 63, Chapter 8, and ophthalmologists licensed under Title 63, Chapter 6 or 9; and

(2) Podiatrists licensed under Title 63, Chapter 3, and physicians licensed under Title 63, Chapter 6 or 9 (except radiologists, pathologists, or anesthesiologists).

The services rendered by these health care professionals are considered related and complementary to each other; provided, nothing in this chapter shall be construed to alter the lawful scope of practice of a professional forming a professional limited liability company pursuant to this subsection; and further provided that nothing in this chapter shall be construed to allow any professional forming a professional limited liability company pursuant to this subsection to conduct the professional's practice in a manner contrary to the standards of ethics applicable to the profession. Such professional shall accurately state his or her professional credentials on any advertisement to the public.


SECTION 3. This act shall take effect July 1, 2002, the public welfare requiring it.

PASSED: May 1, 2002


JIMMY NAIFEH, SPEAKER
HOUSE OF REPRESENTATIVES


JOHN S. WILDER
SPEAKER OF THE SENATE

APPROVED this 8th day of May 2002


DON SUNDQUIST, GOVERNOR